

NEWS RELEASE

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Capital Bank, MD, Acquires Deposits of Pisgah Community Bank
Depositors can expect no disruptions to customer services

RALEIGH—Capital Bank, National Association, of Rockville, Maryland, acquired the deposits of Pisgah Community Bank (Pisgah Bank) in Asheville, North Carolina, after it was closed today by the N.C. Office of the Commissioner of Banks (NCCOB).

NCCOB named the Federal Deposit Insurance Corporation (FDIC) as receiver of Pisgah Bank. The FDIC entered into a purchase and assumption agreement with Capital Bank to assume all of Pisgah Bank's deposits.

Pisgah Bank's deposits will continue to be insured up to \$250,000 by the FDIC, so there is no need for customers to change their existing banking relationship to retain their deposit insurance coverage. Pisgah Bank has a single office in Asheville, North Carolina, which will reopen on Monday as branches of Capital Bank with no disruption to customer services. Depositors of Pisgah Bank will automatically become depositors of Capital Bank and can continue to write checks and use current debit cards. Checks drawn on the bank will continue to be processed and loan customers should continue making payments as usual until notified by Capital Bank.

As of March 31, 2013, Pisgah Bank had approximately \$21.9 million in total assets and \$21.2 million in total deposits. In addition to assuming all of the deposits of Pisgah Bank, Capital Bank agreed to purchase approximately \$19.8 million of Pisgah Bank's assets. The FDIC will retain the remaining assets for later disposition.

Capital Bank currently has branches in North Bethesda and Rockville, MD; and a branch in Washington, DC.

Since the FDIC was formed more than 70 years ago, no depositor has lost a penny of their insured deposits. Pisgah Bank is the seventh North Carolina state-chartered bank to close since First Hanover Bank's closure in 1991. Parkway Bank closed last month; Waccamaw Bank closed in 2012; Blue Ridge Savings Bank, Inc., and The Bank of Asheville closed in 2011; Cooperative Bank and Cape Fear Bank closed in 2009; and Bank of Black Mountain closed in 1943.

Customers with questions regarding this transaction can contact the FDIC toll-free at 1-800-450-5143 or visit the FDIC's website at <http://www.fdic.gov/bank/individual/failed/pisgahcommbk.html>.

Customers should **not** provide personal, confidential information, such as account numbers and social security numbers by phone or email as the bank, NCCOB, and the FDIC will not be requesting this information. Such solicitations should be considered fraudulent.

NCCOB is responsible for the chartering and regulation of North Carolina's state banks, thrift institutions, and nondepository trust companies. NCCOB also regulates other financial services firms and individuals operating in North Carolina, such as mortgage brokers, mortgage lenders, mortgage servicers, mortgage loan originators, check cashers, consumer finance companies, money transmitters, and refund anticipation loan facilitators. NCCOB is funded by industry fees and assessments and not taxpayer dollars.

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